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AO 91 (Rev. 08/09) Criminal Complaint

WL

UNITED STATES DISTRICT COURT  
for the  
Eastern District of Michigan

United States of America,

Plaintiff,

v.

DANIEL CLAYTON,

Defendant(s).

**Case:2:14-mj-30245**  
**Judge: Unassigned,**  
**Filed: 05-23-2014 At 09:38 AM**  
**RE: SEALED MATTER (EOB)**

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**CRIMINAL COMPLAINT**

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I, the complainant in this case, state that the following is true to the best of my knowledge and belief:

On or about the date(s) of February 4, 2013 to January 13, 2014, in the county of Wayne  
in the Eastern District of Michigan, the defendant(s) violated:

*Code Section*

18 U.S.C. 1029

*Offense Description*

Using One Or More Counterfeit Access Devices.

This criminal complaint is based on these facts:  
See attached affidavit.

☒ Continued on the attached sheet.

*REX*  
Complainant's signature

Ryan Holmes, Special Agent - U.S.S.S.  
Printed name and title

Sworn to before me and signed in my presence.

Date:

5/23/14

*[Signature]*  
Judge's signature

City and state: Detroit, Michigan

Hon. Steven Whalen, United States Magistrate Judge  
Printed name and title

**AFFIDAVIT**

**The following facts are sworn to by Affiant in support of the issuance of this Warrant:**

I, Ryan Holmes, being first duly sworn, hereby depose and say:

1. That Affiant is a Special Agent with the United States Secret Service in Detroit, Michigan, and has a total of 13 years in law enforcement. That Affiant has participated in numerous investigations involving counterfeiting, bank fraud, mail fraud, wire fraud, identity theft, check fraud, and access device fraud.
2. That information contained in this affidavit is based on Affiant's training, experience, and participation in financial crime investigations, as well as from personal observations during the course of this investigation. Information was also provided by law enforcement officers and others who have personal knowledge of the events and circumstances described herein.
3. Because this affidavit is being submitted for the limited purpose of establishing probable cause, I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause to believe that DANIEL CLAYTON, did knowingly, and with intent to defraud, commit Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

**DEFINITIONS**

4. Based on my training and experience, and in the context of this investigation, Affiant uses the term "*Re-encoding*" to mean the process of altering the magnetic strip on the back

of an access device (i.e. credit, debit, or gift card) to include the stolen bank account information of a genuine account holder without their knowledge or permission.

### **DETAILS OF INVESTIGATION**

5. Starting in February, 2013, the Southeast Michigan Financial Crimes Task Force began investigating a large group of individuals who were committing access device fraud at area Meijer stores. The suspects were using re-encoded access devices to purchase gift cards. Several members of this fraud group were identified through law enforcement sources.

6. One of the suspects identified was DANIEL CLAYTON (dob 09/20/85) after his arrest for felony fraudulent activities by the Van Buren Twp, MI, Police Department on 05/21/13. CLAYTON was found in possession of a re-encoded credit card during his arrest. Prior to his arrest on this same day, CLAYTON was observed on video surveillance at the Royal Oak, Northville, and Allen Park Meijer Stores using re-encoded access devices to purchase gift cards.

7. After CLAYTON's arrest on 05/21/13, I reviewed numerous incidents of re-encoded access device frauds that occurred at Meijer stores involving this fraud group.

8. The video surveillance and transaction information was provided to me by Meijer loss prevention.

9. During the period of February 4<sup>th</sup>, 2013, through January 13<sup>th</sup>, 2014, CLAYTON was observed on Meijer video surveillance using re-encoded access devices on the following dates and locations:

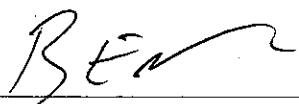
	Date	Store	Acct Last 4	Fraud Amount
a.	02/04/13	Southgate	0754	\$975.36
b.	05/13/13	Southfield	0141	\$972.50
c.	05/14/13	Jackson	3469	\$962.48
d.	05/21/13	Royal Oak	9959	\$962.00
			5813	\$964.55
e.	05/21/13	Northville	4516	\$961.90
f.	05/21/13	Allen Park	8666	\$963.89
			8287	\$964.23
g.	05/30/13	Battle Creek	6027	\$965.88
			6923	\$966.98
h.	07/23/13	Ypsilanti	8522	\$936.36
			6063	\$963.00
i.	07/23/13	Southfield	4413	\$962.99
			9155	\$963.14
j.	07/23/13	Livonia	6321	\$962.50
k.	07/26/13	Allen Park	6580	\$961.79
l.	07/26/13	Southfield	1327	\$968.35
m.	07/26/13	Royal Oak	1040	\$963.00
			9877	\$963.00
n.	07/31/13	Southfield	8154	\$962.99
o.	08/26/13	Westland	6221	\$962.11
p.	08/26/13	Ypsilanti	3672	\$909.00
			6707	\$963.00
q.	08/26/13	Allen Park	9302	\$963.99
r.	09/23/13	Livonia	3015	\$986.49
s.	09/23/13	Southfield	9535	\$960.95
t.	09/23/13	Southfield	9535	\$960.95
u.	09/23/13	Southfield	9535	\$963.50
v.	09/23/13	Ypsilanti	4674	\$991.79
w.	09/24/13	Northville	4409	\$963.50
			6403	\$960.95
x.	09/24/13	Royal Oak	5419	\$966.49
			5288	\$962.98
			8438	\$962.49
y.	10/05/13	Allen Park	3757	\$447.26
			1559	\$512.74
z.	10/07/13	Northville	7662	\$551.89
aa.	11/10/13	Westland	3470	\$972.71
bb.	11/10/13	Canton	4765	\$962.11

		8752	\$964.90
cc. 01/13/14	Waterford	0904	\$960.00
		9314	\$960.00
		7852	\$960.00
		1190	\$960.00
		6556	\$960.00
		2813	\$960.00

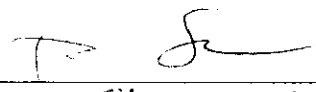
10. All the above transactions have been verified as re-encoded access device fraud by the representative banks associated with the accounts.

### CONCLUSION

11. Based on the above-described information, I believe that probable cause exists that DANIEL CLAYTON, did knowingly, and with intent to defraud, commit Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

  
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**Ryan Holmes** – Special Agent – USS  
Affiant

Subscribed to and sworn before me  
this 23 day of May, 2014

  
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Honorable **Steven Whalen**  
United States Magistrate Judge